

WATER RESOURCES DEVELOPMENT ACT

Invest in Water Navigation, Flood Control, Environmental & Water Infrastructure

Action Needed:

The House should pass the Water Resources Development Act of 2016.

Background:

- The Water Resources Development Act (WRDA) authorizes projects and policies for navigation, flood control, hydropower, recreation, water supply and emergency management for the U.S. Army Corps of Engineers Civil Works Program (USACE). USACE infrastructure includes more than 12,000 miles of inland navigable waterways, 900 ports and harbors, 14,000 miles of levees, 700 dams, 230 lock chambers, 75 hydro-power plants, and 4,000 recreation sites. Congress last authorized WRDA in 2014, with an intent to reauthorize the legislation every two years to provide regular Congressional input and oversight into the nation's water resources infrastructure programs. The Senate passed its WRDA bill, S. 2848, by an overwhelming bipartisan margin (95-3) on September 15. The House Transportation & Infrastructure Committee passed its WRDA bill, H.R. 5303, on May 25.

AGC Message:

- **Water Resources Infrastructure is Critical to the Economy & Yields Very High Returns.** Harbors maintained by USACE handle 95 percent of America's import and export trade, while the inland waterways system moves freight at half the cost of rail and one-tenth the cost of truck transportation. From 2010–2012, USACE provided an annual estimated national economic development net benefit of \$87.1 billion, and stimulated \$27.3 billion in returns to the U.S. Treasury. With program spending just above \$5 billion a year, that equates to a 16-to-1 return in economic benefits, and a 5-to-1 return in revenue to the Treasury. USACE projects prevent an estimated \$48.5 billion in damages annually from storms and severe weather.
- **Advance Existing Innovative Project Financing Programs through WIFIA and the USACE P3 Pilot Program.** In WRDA 2014, Congress authorized the Water Infrastructure Finance and Innovation Act (WIFIA) and a USACE P3 Pilot Program to allow USACE to leverage private sector funds to help finance and deliver water resources infrastructure. It's been nearly two years since Congress authorized these programs and USACE has not issued guidance to implement either of them.
- **Hold USACE Accountable for Bureaucratic Construction Delays: Process and Payment of Change Orders.** No matter what the construction project, unforeseen problems will arise and must be addressed. To do so, USACE issues change orders to instruct and pay contractors to fix these problems. However, USACE often takes months to process a change order during construction. This delay in direction from USACE causes project delays, cost increases, and litigation.